

**Town of Newfields
First Session of the 2011 Annual Meeting
Deliberative Session February 9, 2011**

John Hayden, Moderator
Sue McKinnon, Town Clerk

Board of Selectmen
Rosanne C. Gilbert
Wesley T. Moore
Michael Woodworth

Moderator John Hayden called the meeting to order at 7:07pm.

Lt. Colonel Bill Davis “skyped in” from Baghdad to lead us in the pledge of allegiance. Bill is serving in Baghdad for the next six months.

The head table was introduced and John explained the rules and procedures for the meeting. He explained we are here to discuss, debate, and amend, if necessary, the proposed warrant articles. Votes will be taken by a show of hands unless otherwise requested in writing.

Chairman, Rosanne Gilbert addressed the audience, thanking volunteers and department heads for their service and efforts. She enjoyed working with everyone over the past three years.

Article 1. Shall the Town of Newfields raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the Warrant or as amended by vote of the first session, for the purposes set forth therein, totaling One Million, Four Hundred Eighty Thousand, Three Hundred Ninety-Six dollars (\$1,480,396.00). Should this be defeated, the default operating budget shall be One Million, Five Hundred Twenty-Four Thousand, Seven Hundred, and Twenty-One dollars (\$1,524,721.00) which is the same as last year, with certain adjustments required by previous action of the Town of Newfields or by law or the governing body may hold one special meeting, in accordance with RSA 49:13, X and XVI, to take up the issue of a revised operating budget only. (Selectmen recommend the \$1,480,396.00 as set forth on said budget)

The Moderator read Article 1. A motion was made by Rosanne Gilbert and seconded by Dave Mason to accept Article 1 for discussion.

Resident Mike Greeley made a motion to increase the operating budget by \$3500.00 with the recommendation that it go towards the police department budget for raises for the police officers. The motion was seconded by Jackie Horgan.

Mike Price asked about something he read in the minutes regarding doing away with Chief Reed's contract. Wes stated that the Selectmen were never asked to re-negotiate the chief's contract. The Chief wanted to give a portion of his raise to his officers but the Selectmen would not allow that because he would not be honoring his contract if he did so. The Selectmen stated that if he came to the Board and said he wanted to give his officers a 2% raise they would have been okay with it. Art responded that the only way he could give his officers a raise was to find it in his budget which would mean reducing the budget and having less coverage in town.

Jackie Horgan would like to see the town employees receive at least a cost of living raise.

Lt. Gould retired in January and said that she is making more money now being retired. Newfields rates are substantially below the standard in Rockingham County.

Wes said that when they set the tax rate in October the increase was \$1.00 per thousand dollars. They asked all departments to reduce their budgets. The Selectmen reduced their pay, the assessor and town planner agreed to take a reduction in pay and a part-time deputy town clerk and office assistant was hired to replace one full time position. The Selectmen did their job making cuts. If the body present tonight wants to appropriate more money that is their decision.

Mike Greeley said that the townspeople appreciate the Selectmen cutting the budget but safety services are not the place to cut in his opinion.

Mike Sununu asked if the Selectmen had taken a look at moving dispatch to the Rockingham County Sheriff's Department. Wes explained that the Selectmen have looked into the move but need more information before making a final decision. There is a cost to move over to the Sheriff's Department. We may need to install repeaters in all the vehicles and there would be an early termination fee paid to Newmarket. Consequently, even if we moved this year there would be no decrease in the line item for communications which is currently at 43,400.00.

A hand vote was taken on the amendment to add \$3,500.00 to the operating budget making the total \$1,483,896.00. The vote was in the affirmative and the motion carried.

Mike Price asked about the decrease in the highway budget. This year the highway department did receive highway block grant money, grant money to fix the culvert on Bald Hill Road and reimbursements from the federal government for emergency management. Brian Knipstein said he was able to turn back \$30,000 at the end of the year because there wasn't a lot of snow in 2010. Next year we won't see the extra money from grants. He said that we have already spent \$70,000 in January 2011 for snow removal.

The current highway plan is to pave one mile of road per year out of the 15-16 total miles of road in town. The cost of paving has gone up and will most likely continue to rise

which would mean fewer roadways would be paved each year. This year a portion of Old Lee Road and Deertrees Subdivision was paved.

A motion was made by Paul Watson and seconded by Mike Todd to add \$18,000 to the operating budget with the recommendation that the money go into the highway department line, bringing the total operating budget to \$1,501,896.00. A hand vote was taken on the amendment and the motion carried.

Wes stated that the Police Department budget included a pay increase of \$4,000 to keep a valuable police officer who was going to leave the department and a contractual increase of \$10,000. He commented that Art manages his department very well and started out the year with an overall decrease of \$7,000.00 due to the above increases.

A motion was made by Scott Buxton and seconded to increase the fire department budget \$10,000. Jeff stated that the cost of everything is going up and the extra money would be helpful. The department now has 28 volunteers who have put in 7,000 hours of their time. The Fire Department does not spend money needlessly and regardless of how this vote goes the residents of the town will receive the same service with or without the increase.

Budget Committee member Jamie Thompson agreed that Jeff is prudent with his money and wouldn't just spend the money needlessly.

The motion to increase the operating budget by \$10,000 with the recommendation that it go towards the fire Department was voted on and passed. The total operating budget will now be \$1,511,896.00 and Article 1 as amended will be placed on the ballot for a vote.

Maggie Doane would like the Selectmen to consider having a town cleanup day at least once per year even if it means charging a fee.

Jeff Buxton would like to see in the future the recommendations of the budget committee added to each warrant article.

Article 2. Shall the Town vote to raise and appropriate Seventeen Thousand Dollars (\$17,000.00) for the purpose of mosquito control by town wide adulticiding (truck spraying)? (Recommended by the Selectmen)

The Moderator read Article 2. A motion was made by Don Doane and seconded by Dave Mason to accept Article 2 for discussion. Wes stated that the Selectmen asked Sara McGregor to decrease her budget by several thousands of dollars and they were appreciative when she agreed.

A motion was made by Win Fream and seconded by Anne Gould to reduce the warrant article to \$0.00. Paul Watson commented that we need the roadside spraying of mosquitoes because they are so bad. Kim Crisp mentioned that she didn't notice a difference after the spraying had been done.

Tom Hayward asked how effective the roadside spraying was. Wes explained that there is no way to measure the effectiveness. Alison Watts added that the state recommendation had measured effectiveness and the spraying was determined to be possibly effective. It is unclear the effectiveness of spraying.

Gabrielle Lieberg suggested that educating the public makes more sense than roadside spraying.

Wes stated that we did have a child in town with EEE a couple of years ago. If a pool was to test positive for EEE the town would be obligated to spend money on emergency spraying. Don Doane mentioned that the town was reimbursed \$8000 from the state for mosquito spraying last year. Article 2 as amended was voted on and passed and the article as amended will be placed on the ballot for a vote.

Article 3. Shall the Town vote to raise and appropriate Thirty-Two Thousand Dollars (\$32,000.00) for the purposes of mosquito control by targeting mosquito larvae (known as larviciding) and Arbovirus Surveillance (known as trapping and testing of mosquitoes)? (Recommended by the Selectmen)

The Moderator read Article 3. A motion was made by Maggie Doane and seconded by Dave Mason to accept Article 3 for discussion. There was no discussion. Robin Gray was in attendance and urged voters to vote in favor of this article because her son contracted EEE and has a permanent brain injury from one mosquito bite. Article 3 will be placed on the ballot as written.

Article 4. Shall the Town vote to raise and appropriate Seven Thousand, Five Hundred Dollars (\$7,500.00) to purchase and install a propane operated generator system which will provide emergency power to the Town Hall? (Recommended by the Selectmen)

The Moderator read Article 4. A motion was made by Don Doane and seconded by Win Fream to accept article 4 for discussion. Mike Price asked if installing a generator makes the town hall a shelter. Rosanne said that yes, the town hall would be a shelter as it has been in the past. The generator will allow the town offices and police department to operate as usual and provide heat to the entire town hall for a shelter. The total cost of the generator is \$15,000 and half of the money will come from a state grant. Article 4 will be placed on the ballot as written.

Article 5. To see if the Town will vote to raise and appropriate Fifty-Two Thousand Dollars (\$52,000.) for the purpose of expanding the library building, bringing the handicap access into compliance and creating additional parking with said sum to come from the withdrawal of \$52,000.00 from the Library Building Capital Reserve Fund established for that purpose. (Recommended by the Selectmen)

Article 5 was read by the Moderator. A motion was made by Don Doane and seconded by Dave Mason to accept Article 5 for discussion. Win Fream showed us the plans for

the proposed library addition of 18' x 20' which is 360 square feet. The Library also needs to replace the handicap ramp access and bring it into compliance. The \$52,000 will be withdrawn from the previously established Library Capital Reserve Fund and \$25,000 will come from a gift left by Bobbi Byrne in her will. This money needs to be used within 10 years or it will revert back to her family. An additional \$13,000 will come from fundraising. The trustees plan to have this project complete by the end of the year, if passed.

A motion was made by Jen Macpherson and seconded by Jackie Horgan to amend the article to read: To see if the Town will vote to raise and appropriate Fifty-Two Thousand Dollars (\$52,000.00) from the previously established Library Building Capital Reserve Fund which has a balance of \$52,000.00, for the purpose of expanding the library building, bringing the handicap access into compliance and creating additional parking.

Article 5 as amended was voted on and passed. Article 5 will be placed on the ballot as amended.

Article 6. To see if the Town will vote to establish an expendable reserve fund pursuant to RSA 34:1 to be called the Police Department Building Expendable Trust Fund for the purpose of developing and constructing a police department building and to raise and appropriate Twenty-Five Thousand Dollars (\$25,000.00) to be placed in this fund. The Selectmen will be named as agents on this fund. (Recommended by the Selectmen)

The Moderator read Article 6. A motion was made by Don Doane and seconded by Win Fream to accept Article 6 for discussion. The members of the Police Department Facilities Committee are Clay Mitchell, Mike Todd, Lt. Anne Gould, Chief Reed, Tom Morgan, Mark Gosselin, Jamie Thompson, Jed Rumford, Jim Daley, Jackie Horgan, and Mike Kessler. Wes stated the obvious; the Police Department is inadequate and they need their own facility. This appropriation would be for a drawing and a cost estimate; not for a study of what is needed. That has already been determined by the PD Committee. The committee looked at several options which included adding on to the town hall and/or renovating the town hall. The issue with this approach is that the building would need to be brought up to code and it could become extremely expensive. The Police need their own space and the Committee needs more time to come up with a plan. We want to build it once and get it right the first time.

The committee wanted to set up a capital reserve for a new police department but they felt they needed plans and a piece of property before moving forward. The plans will most likely not cost \$25,000 but any money left over would remain in the Capital Reserve Fund.

Tim Elliot asked if the site had been determined. The Committee did meet with the School Board about acquiring a piece of their land on Route 87 and they did not object.

The size of the building needed has not been determined but it would be in the range of 2,000 – 3,500 square feet.

Rosanne commented that the plan is to put money aside for a few years and eventually get a bond for the entire project.

Mike Todd agreed that \$25,000 was most likely more money than needed to get plans drawn up. Paul Watson asked to move the question.

A motion was made by Alison Watts to decrease the amount of the article to \$15,000. There was no second. Article 6 will be placed on the ballot as written.

Article 7. To see if the Town will vote to establish an Energy Efficiency and Clean Energy District in accordance with RSA 53-F which shall include all land within the bounds of the Town of Newfields. The land within this district shall be eligible for the purpose of supporting energy conservation and efficiency and clean energy improvements to residential, commercial, industrial, and other buildings in accordance with RSA 53-F:6. *[The purpose of the district shall be to permit the Town to enter into agreements with property owners in which the property owners consent to make energy conservation and efficiency improvements or clean energy improvements to their property and to have the municipality include a special assessment to pay for such improvements on their property tax bills, their bills for water or sewer service or another municipal service, or separate bills, provided that such agreements shall not affect the tax liability or municipal services charges of other participating or nonparticipating property owners in the district.]*). (Recommended by the Selectmen)

The Moderator read Article 7. A motion was made by Dave Mason and seconded by Win Fream to accept Article 7 for discussion. Clay Mitchell explained that an Energy Committee was formed last year and the Selectmen asked him to look into the PACE Program (Property Assessed Clean Energy). Clay presented a PowerPoint on PACE outlining the program details.

- ▣ The program must create a loan loss reserve to cover losses.
- ▣ The payment and schedule will be laid out fully upfront.
- ▣ The Town has the ability to collect payments under the tax process.
- ▣ The property owner must notify the mortgage holder prior to participation.
- ▣ Eligibility requirements are strict:
 - ▣ For the property owner, all levies and taxes must be current and must have been current for the last 3 years.
 - ▣ Participants must be current on all mortgage debt.
 - ▣ The Town must adopt additional criteria to determine credit-worthiness.
- ▣ Total debt on the property must not exceed 85% of the assessed property value multiplied by the equalization rate.
- ▣ Improvements must be cash-positive – meaning they must save more than they cost in payments.
- ▣ Improvements must be fixed to the building and not portable.
- ▣ All improvements must be made by approved qualified installers.
- ▣ All other financial incentives must be included in the project and deducted from the improvement costs.

- ▣ The improvements are limited in cost and as a percentage of the structure's value (no more than 15%).
- ▣ Mortgage holders may escrow PACE payments – insuring payment.
- ▣ Foreclosure does not eliminate the loan – it will be passed to the new owner or may be paid from the proceeds of the mortgage sale.
- ▣ Mortgage holders must be notified in advance.

Fannie Mae/Freddie Mac

- ▣ Initial concerns provided in a letter that threaten certain actions related to mortgages and liens.
- ▣ Now being sued by several states attorney general over this action.
- ▣ Laws pending stripping these organizations from taking this action.
- ▣ Have not been concerned with 37,000 other districts throughout the country for similar programs for other improvements.

The Fannie Mae/Freddie Mac letter threatening certain actions related to mortgages and liens is of great concern to people and it is a legitimate concern. Overall, the program is a good idea and worthy of being tested but it is fairly complicated.

Homeowners would be borrowing money through the town and paying it back in their taxes. Mike Price questioned how that is a benefit to the Town.

Jackie Horgan was concerned with who would be checking a homeowner's credit. The Town does not have adequate or qualified staff to do credit checks. In her opinion, this program is of no benefit to the Town. The Town should not be a loan officer.

Wes commented that if he thought this program was going to be so complicated he may have had second thoughts about it. He did read Michael Sununu's letter which went out to town residents, and agrees he has valid concerns. Michael sees the program from a different perspective.

James Sununu commented that the Town should not be acting as a bank. It is not a government agencies mission to make loans. There are much more suitable avenues out there to get funding for energy efficient projects.

Michael Sununu believes that if we become established as an Energy Efficient and Clean Energy District we may have higher borrowing costs. PACE districts are known to have higher rates because they are being assessed as a risk. It's possible that a homeowner would not receive as much home equity by being in this district. In his opinion, we should not be pursuing PACE.

Jeff Feenstra commented that this is a new program and it is well worth taking a look at and \$25,000 isn't a lot of money.

Ben Friedlin said that it may be a good program but it makes no sense to do it now. Let's wait and see what happens. .

Wes does share the Sununu's concerns and agrees it is a big risk. The consensus at the end of the discussion was that there were too many concerns and unanswered questions with the program. It would be a big risk to adopt the PACE program at this time.

A motion was made by Mike Sununu and seconded by Ben Friedlin to amend Article 7 by adding the following statement at the end of the warrant article, "The Office of the Comptroller of the Currency, the Federal Housing Finance Agency and the New Hampshire Housing Authority have all issued guidance warning that residents of a town which enact PACE programs may pay higher borrowing costs for all their mortgages, home equity lines of credit or refinancing of home loans, whether or not they are a participant in the PACE program".

The motion to amend was voted on and passed. Article 7 as amended will be placed on the ballot for a vote.

A motion was made by Rosanne Gilbert and seconded by Win Fream to accept Article 8 for discussion. A motion was made by Mike Sununu and seconded by Ben Friedlin to amend the article to \$0.00. The amendment was voted on and passed. Article 8 as amended will be placed on the ballot for a vote.

A motion was made by Dave Mason and seconded by Don Doane to accept Article 9 for discussion. Chief Reed explained that this money would be for two bullet proof vests with 50% of the cost being reimbursed by the State. The shelf life of a vest is about five years. There was no discussion and Article 9 as written will be placed on the ballot for a vote.

A motion was made and seconded to adjourn the meeting at 10:55pm. All were in favor and the motion carried.

Respectfully submitted,

Sue McKinnon

